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Conference of the States Parties to the United Nations Convention against Corruption

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Open-ended Intergovernmental Working Group on the Prevention of Corruption
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Item 2 (a) of the provisional agenda*
Implementation of Conference resolutions 7/5, entitled "Promoting preventive measures against corruption", and 7/6, entitled "Follow-up to the Marrakech declaration on the prevention of corruption": thematic discussion on preventing and managing conflicts of interest (article 7, paragraph 4, of the United Nations Convention against Corruption)

Preventing and managing conflicts of interest (article 7, paragraph 4, of the United Nations Convention against Corruption)

Background paper prepared by the Secretariat

I. Introduction

1. In its resolution 6/1, the Conference of the States Parties to the United Nations Convention against Corruption requested the Secretariat to structure the provisional agendas of the subsidiary bodies established by the Conference in such a way as to avoid duplication of discussions, while respecting their mandates. The Conference further requested the Secretariat, in its resolution 6/6, to continue to identify comparative good practices on measures to prevent corruption and to facilitate the exchange of expertise and lessons learned among States parties.

2. In its resolution 7/6, entitled "Follow-up to the Marrakech declaration on the prevention of corruption", the Conference decided that the Working Group should continue its work to advise and assist the Conference in the implementation of its mandate on the prevention of corruption and should hold at least two meetings prior to the eighth session of the Conference.

3. In its resolution 7/5, entitled "Promoting preventive measures against corruption", the Conference decided that the Working Group should include as the topic for 2018 the use and effectiveness of asset declaration systems and conflicts of interest.

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4. In the light of these resolutions, it was decided that the topics for discussion at the ninth intersessional meeting of the Working Group, to be held in Vienna from 5 to 7 September 2018, would be:

(a) Preventing and managing conflicts of interest (art. 7, para. 4);

(b) Asset and interest disclosure systems (art. 8, para. 5).

5. At its second meeting, held in Vienna from 22 to 24 August 2011, the Working Group recommended that in advance of each of its future meetings, States parties should be invited to share their experiences of implementing the provisions under consideration, preferably by using the self-assessment checklist and including, where possible, successes, challenges, technical assistance needs and lessons learned in implementation. The Working Group requested the Secretariat to prepare background papers synthesizing that information and decided that panel discussions should be held during its meetings, involving experts from countries that had provided written responses on the priority themes under consideration.

6. In accordance with these requests, the present report has been prepared on the basis of information relating to the implementation of article 7, paragraph 4, of the United Nations Convention against Corruption provided by Governments in response to the note verbale of the Secretary-General dated 27 February 2018 and the reminder note verbale dated 26 April 2018.[1] As of 18 June 2018, submissions had been received from 44 States. The submissions from the following 40 countries contained information relating to the topic of conflict of interest: Algeria, Argentina, Armenia, Austria, Belgium, Bolivia (Plurinational State of), Bosnia and Herzegovina, Chile, China, Cuba, Czechia, Egypt, El Salvador, Georgia, Germany, Guatemala, Hungary, Indonesia, Italy, Japan, Kiribati, Kuwait, Lithuania, Montenegro, Norway, Oman, Panama, Peru, Poland, Portugal, Romania, Russian Federation, Serbia, Sierra Leone, Singapore, Slovakia, Slovenia, Switzerland, Turkey and the United States of America.

7. With the agreement of the countries concerned, the full text of the submissions has been made available on the website of the United Nations Office on Drugs and Crime (UNODC)[2] and incorporated into the thematic website developed by the Secretariat.[3]

8. The present report does not purport to be comprehensive but rather endeavours to provide a summary of the information submitted by States parties and signatories.

II. Analysis of submissions of States parties and signatories

A. Thematic background

9. The impartiality and professionalism of public officials are key for the integrity of the public administration. The correct, honourable and proper performance of public functions, without personal consideration, is a precondition for the effectiveness of public institutions and for ensuring the trust of the public in government.

10. The importance of building the public administration in accordance with the principles of integrity, transparency and accountability is underlined in chapter II of the Convention against Corruption, in particular in its articles 7 and 8.

11. Article 7, paragraph 4, of the Convention calls upon States parties to, in accordance with the fundamental principles of their domestic law, endeavour to adopt,

[1] A summary of information submitted by States relating to asset and interest disclosure systems in the context of article 8, paragraph 5, of the Convention is provided in a separate background paper by the Secretariat (CAC/COSP/WG.4/2018/3).

[2] Available at www.unodc.org/unodc/en/corruption/WG-Prevention/session9.html.

[3] Available at www.unodc.org/unodc/en/corruption/WG-Prevention/conflict-of-interest.html.

maintain and strengthen systems that promote transparency and prevent conflicts of interest.

12. This requirement of the Convention is reinforced by article 8, paragraph 5, which requires States parties to endeavour, where appropriate and in accordance with the fundamental principles of their domestic law, to establish measures and systems requiring public officials to make declarations to appropriate authorities regarding, inter alia, their outside activities, employment, investments, assets and substantial gifts or benefits from which a conflict of interest may result with respect to their functions as public officials.

13. In its resolution 7/5, the Conference, emphasizing the need to properly manage conflicts of interest and to establish asset disclosure systems, encouraged States parties to promote, in accordance with the fundamental principles of their legal systems, the adoption, maintenance and strengthening of systems that promote transparency and prevent conflicts of interest and, where appropriate, to make use of innovative and digital instruments in this field.

14. The importance of measures to prevent conflict of interest in the private sector was also underlined in Conference resolution 7/5, as well as in resolution 6/5, entitled "St. Petersburg statement on promoting public-private partnership in the prevention of and fight against corruption".

15. The Working Group on the Prevention of Corruption had addressed the implementation of provisions in article 7, paragraph 4, and article 8, paragraph 5, of the Convention at its third intersessional meeting held in Vienna in 2012.[4]

B. Regulation of conflicts of interest

16. The proper prevention and regulation of conflicts of interest in the public administration is only possible following the adoption of clear, known, written standards.

17. In this regard, many States outlined how written standards in the form of primary and secondary legislation and codes of conduct were employed to regulate and provide guidance to officials as to the types of activities from which they should refrain in order to avoid conflicts of interest.

18. A number of States also emphasized how legislative measures focused on conflicts of interest and other practices targeted at "high-risk" sectors, such as public procurement, had sought to reduce the likelihood of conflicts of interest in those sectors.

19. The measures, policies and practices adopted by States to address the issue of conflicts of interest reflects the comprehensive approach to the prevention of corruption required by chapter II of the Convention. The practical examples of implementation submitted by States parties provide evidence of the importance of adopting a holistic approach to effectively address the issue of conflicts of interest throughout the public service.

1. Approach to regulation

20. States parties reported different approaches to regulating conflicts of interest. While many countries reported having adopted specific laws on the regulation of conflicts of interest, the majority of submissions referred to regulating conflicts of interest through legal provisions contained in the general legislation on the civil service or even in the Constitution. In some States, codes of conduct were used in addition to legislation to effectively manage the conflicts of interest.

[4] See the note by the Secretariat on conflicts of interest, reporting acts of corruption and asset declarations, particularly in the context of articles 7–9 of the Convention (CAC/COSP/WG.4/2012/3).

21. Algeria, Argentina, Bosnia and Herzegovina, Czechia, Egypt, El Salvador, Georgia, Italy, Lithuania, Montenegro, Oman, Poland, Romania, Slovakia, Slovenia, and the Russian Federation reported that conflicts of interest in the public administration were regulated by means of a specific law on conflicts of interest. The advantage of this approach was the detailed and effective codification of the legal norms, which facilitated the understanding of and, ultimately, compliance with the provisions of the legislation.

22. Kuwait reported that provisions on the prevention of conflicts existed in different laws and that a draft specific law on conflicts of interest was currently pending before the National Assembly.

23. Egypt stated that conflict of interest management procedures were contained in the Constitution and the civil service law and aimed at preventing conflicts of interest with regard to the President, the Prime Minister and the ministers of the Government.

24. Algeria, Argentina, Armenia, Belgium, Germany, Indonesia, Kiribati, Peru, Sierra Leone and Turkey described how conflicts of interest with regard to high-level officials were regulated by provisions in the general administrative laws of the country.

25. Algeria, Armenia, Austria, Bolivia (Plurinational State of), Bosnia and Herzegovina, Czechia, El Salvador, Georgia, Germany, Hungary, Indonesia, Italy, Japan, Montenegro, Norway, Romania, Slovakia, Slovenia, Switzerland, Peru, Poland and the United States reported that the legislation on the civil service contained norms dealing with the conflict of interest of civil servants.

26. Montenegro and Slovenia reported that the primary law regulating conflicts of interest was the law on the prevention of corruption.

27. Austria noted that conflicts of interest were regulated through both the civil service legislation and a code of ethics. Belgium reported that conflict of interest provisions were contained in multiple laws, including the law on public procurement, as well as in a code of ethics.

28. Germany indicated that the conflict of interest provisions were a part of the law on administrative procedure. In addition, specific rules on integrity and a code of conduct had been developed, providing guidance to public officials on how to avoid and manage conflicts of interest. The rules on integrity also contained guidance on issues related to accepting gifts and hospitality.

29. Indonesia indicated that conflicts of interest provisions were contained in the law on government administration and in other legislative acts. In addition, a code of ethics and general guidelines for handling conflicts of interest for public officials had been published.

30. Norway stated that the Public Administration Act regulated the prevention of conflicts of interest in the public administration. According to this law, a public official could be disqualified from the decision-making process if he or she had a conflict of interest. Rules promoting openness and preventing conflicts of interest were also contained in the Ethical Guidelines for the Public Service.

31. Argentina, Bosnia and Herzegovina and Czechia reported that they had adopted specific legislation focused on conflicts of interest. Argentina highlighted that the legislation required the disclosure and avoidance of not only the actual conflicts of interest but also the potential and apparent conflicts of interest in order to strengthen the trust of the public.

32. Georgia submitted information that a specific law, the Law on Conflict of Interest and Corruption in Public Service, and a general code of ethics and conduct for the civil service were used to regulate conflicts of interest.

33. Japan reported that the National Public Service Act and a code of ethics had been adopted, containing measures to avoid and manage conflicts of interest and to strengthen trust in government. Lithuania reported that the Law on the Adjustment of

Public and Private Interests in the Civil Service and the Law on the Civil Service contained provisions regulating conflicts of interest.

34. Hungary reported that conflicts of interest regulations concerning public officials were included in the act on government officials and State officials. Conflicts of interest involving law enforcement officials (police, prison guards, excise officers and disaster recovery staff) were regulated by the Law on the Service Status of the Professional Members of Law Enforcement Agencies. In addition, codes of ethics were adopted and enforced.

35. Kiribati reported that multiple laws contained provisions on managing and prohibiting conflicts of interest. An anti-corruption code of conduct was to be adopted, requiring the avoidance of conflict of interest within the public service.

36. Poland stated that the conflict of interest management regime was a part of the employment law and civil service act. In addition, the Guidelines on the Observance of Civil Service had been adopted, providing direction for public officials on what to do in situations of conflicts of interest.

2. Codes of conduct to regulate conflicts of interest

37. The introduction of a public sector ethics regime and the adoption of codes of conduct are important tools to effectively prevent and manage conflicts of interest. While there are many models and approaches to regulating public sector ethics, their ultimate goal is always to ensure that public officials know the boundaries of acceptable conduct and work in a way which promotes the effectiveness of institutions and public trust in those institutions.

38. Most of the States that provided submissions reported that they have codes of ethics and/or codes of conduct which they see as an important tool in regulating conflicts of interest. Some countries reported that codes were adopted through a legislative process or were a part of a law, while others developed aspirational codes to serve purely as guidance for their officials. While there is no single model for a code of conduct, there is a common understanding of the value of this instrument.

39. A number of countries including Argentina, Austria, Belgium, Bolivia (Plurinational State of), Norway and Switzerland reported that, in addition to their legislation which regulated conflicts of interest, codes of conduct were used to provide guidance to public officials on how to avoid, disclose and manage conflicts of interest.

40. Bosnia and Herzegovina, Georgia, Germany, Hungary, Italy, Japan, Kiribati, Panama, Peru, the Russian Federation, Singapore and the United States stated that the codes of conduct were mandatory and provided for sanctions in case of violations.

41. Austria reported that the Federal Chancellor's Office had developed a code of conduct to prevent corruption, which applied to all Austrian public officials. Furthermore, the different ministries had developed their own codes of conduct tailored to their specific requirements. The codes were made available on the ministries' websites and provided guidelines and rules for different types of conflict of interest such as the receipt of gifts and outside activities.

42. Similarly, Italy reported that two different levels of codes of conduct had been put in place: a general code for all public servants and individual codes for each public entity. The codes defined the standard of conduct for public officials and established general principles of conduct, such as the prohibition on accepting gifts. Violation of those codes would lead to disciplinary sanctions.

43. Panama reported that a code of ethics had been adopted which contained rules on conflict of interest management.

3. Sanctions

44. The issue of sanctions for violations of the conflict of interest legislation was addressed differently in the legislation of the States parties, with no single identifiable trend. While most of the submissions indicated that administrative or disciplinary measures were used against officials who did not comply with the conflict of interest regime, some countries also provided for criminal sanctions for violations of a law that regulated conflicts of interest.

45. Many States parties reported that the violation of codes of ethics might entail sanctions, while there were also examples of legal systems in which the provisions of codes of ethics were of a purely aspirational character. Austria, for example, reported that there were no sanctions when public officials failed to comply with the applicable conflict of interest regulations.

46. Algeria and Chile reported that the failure to comply with the conflict of interest legislation was a criminal offence and was regulated by the criminal code.

47. Czechia reported that its law on conflicts of interest provided for administrative penalties for the violation of its provisions. Hungary stated that a violation of the conflict of interest regime led to sanctions under the employment law.

48. Indonesia reported that violations of the conflicts of interest provisions in the law on government administration led to criminal and administrative sanctions.

49. Norway reported that when breaches of the Ethical Guidelines for the Public Service were seen as misconduct, they could be sanctioned with suspension or dismissal according to the Civil Service Act. The illegitimate receipt of gifts was explicitly sanctioned. Additionally, if the misconduct in question was also a breach of the Penal Code, a criminal charge might be applicable.

4. Scope of persons covered

50. One important aspect of conflict of interest management regimes is the scope of the categories of public officials that are covered by the conflict of interest legislation. In this respect, it was reported that different approaches were required for three specific groups: first, politically appointed public officials and high-level civil servants; second, public officials employed in the administration of the executive, legislative and judicial branches of power; and third, public officials with functions which were considered especially vulnerable to corruption such as officials engaged in procurement, customs, law enforcement or the judiciary.

51. Algeria, Bolivia (Plurinational State of), Bosna and Herzegovina, Czechia, El Salvador, Georgia, Germany, Hungary, Indonesia, Italy, Montenegro, Romania, Slovakia, Slovenia, Peru and the United States reported that their legislation provided for a specific regime for avoiding and managing conflicts of interest in relation to public officials that were elected or politically appointed.

52. Algeria, Bolivia (Plurinational State of), Czechia, El Salvador, Hungary, Italy, Japan, Montenegro, Poland, Romania, Russian Federation, Slovakia and the United States underlined that other categories of officials, including judges and prosecutors, were also subject to conflict of interest management laws.

53. Bosnia and Herzegovina stated that its Law on Conflict of Interest in Governmental Institutions defined specific additional requirements for elected officials, executive office holders and advisers in the public institutions of Bosnia and Herzegovina in exercising their duty.

54. Bosnia and Herzegovina, El Salvador, Italy, Montenegro, Norway, Peru and Poland highlighted that other administrative staff, including public officials who were engaged through employment or consultancy contracts, must also abide by the laws on conflict of interest.

55. Algeria, Italy and Turkey reported that their public procurement legislation contained special rules to prevent and manage conflicts of interest for the officials involved in public procurement processes.

56. Italy reported that its legislation regulates the conflicts of interest of three groups of officials: the public administration, the judiciary, and members of Parliament and of the Government. Codes of conduct had been adopted to regulate the outside activities of these groups of officials.

C. Institutional framework

57. The implementation of conflict of interest legislation is a critical component of the conflict of interest management regime. A central issue in that regard is the institutional framework that is established to enforce the relevant legislation. This issue was addressed by all States parties in their submissions.

58. States parties reported employing two different approaches in establishing the institutional framework for preventing and managing conflicts of interest. Some States parties highlighted that they had established specialized institutions tasked with overseeing asset and interest disclosure, providing ethics advice and enforcing the specialized conflict of interest legislation. In contrast, other States parties reported having established a system in which the management of conflicts of interest was carried out by the managers and supervisors in public institutions as a part of their regular functions.

59. The management of conflicts of interest was often seen as part of the prevention of corruption which led to a decision to entrust an anti-corruption body with conflict of interest management functions. This was most often the case in countries where specific anti-corruption and conflict of interest laws had been adopted.

60. Argentina stated that its anti-corruption body oversaw the implementation of the conflict of interest legislation and the related interest disclosure system. Austria, Bosnia and Herzegovina, Montenegro, Romania, Slovenia and Poland reported that their anti-corruption bodies were responsible for the implementation of conflict of interest legislation.

61. Panama reported that its National Authority of Transparency and Access to Information was the central body tasked with prevention of conflicts of interest. Czechia reported that the unit for combating corruption of the Ministry of Justice dealt with the issue of conflicts of interest as part of its other activities.

62. Bolivia (Plurinational State of), Czechia and Turkey reported that specialized bodies which were part of the executive branch enforced the conflict of interest legislation.

63. Slovenia reported that the main body responsible for managing conflicts of interest, incompatibilities of functions and restrictions on operations was the Commission for the Prevention of Corruption. The Commission was an independent body mandated to prevent and investigate corruption and breaches of ethics and to promote integrity in public office. Once it had been determined that there was a possibility that a conflict of interest had arisen in the official conduct of officials, the Commission might initiate a procedure to determine the actual existence of the conflict of interest. If it was established that a conflict of interest existed, the Commission would inform the competent authority or the employer and set the deadline by which they were obliged to inform the Commission of the measures they had taken.

64. Indonesia indicated that the supervision of the implementation of the conflict of interest regime was carried out through the existing governmental internal control system. The conflict of interest legislation law also provided for the establishment of specialized ethics commissions in institutions to oversee its implementation.

65. Armenia reported that the bodies responsible for preventing conflicts of interest were the autonomous Commission for the Prevention of Corruption and sectoral ethics commissions, as well as integrity officers within each public agency. Lithuania stated that the Chief Official Ethics Commission exercised functions related to the supervision of persons employed in the civil service and persons carrying out lobbying activities.

66. Other States parties opted for a fully decentralized system of managing conflicts of interest, with no central body in charge of the process. Armenia, Austria, Chile, Georgia, Hungary, Italy, Indonesia, Kiribati, the Russian Federation, Slovenia and Turkey reported that they had introduced a decentralized system in which the management of conflicts of interest was mainstreamed into the day-to-day management practices of public institutions.

D. Conflict of interest guidance and training

67. The tools and procedures used to avoid or manage conflicts of interest so as to avoid harming the public interest were highlighted by many States, which referred to a number of different approaches.

68. Argentina, Armenia, Austria, Bolivia (Plurinational State of), Georgia, Germany, Italy, Lithuania, Montenegro, Norway, Poland, Romania, Singapore, Slovenia and Turkey reported that they actively promoted integrity in the public sector by providing training programmes on conflicts of interest.

69. Internal training programmes were complemented by awareness-raising activities for external stakeholders in Argentina, Austria, Bolivia (Plurinational State of), Georgia, Germany, Hungary, Lithuania, Romania and Slovenia.

70. Norway stated that the ministry in charge of promoting trust and preventing conflicts of interest in the public administration had issued guidelines on gifts in the public administration that provide guidance for public officials as to whether a gift might be acceptable.

71. The United States reported that, within three months from the time an employee started work for a federal agency, the agency provided the employee with initial ethics training. The initial training programme focused on ethics laws and regulations that the designated agency ethics official deemed appropriate for the audience and addressed concepts related to financial conflicts of interest, impartiality, misuse of position and gifts. Senior agency officials who were serving in presidentially appointed, Senate-confirmed positions received counselling on the application of the federal conflict of interest laws prior to appointment and in conjunction with the preparation and submission of their first public financial disclosure report for the purpose of their nomination and appointment.

72. Argentina highlighted that, in order to promote awareness among public officials on potential situations of conflict of interest, a "conflict of interest simulator" had been developed and was available on the website of the Anti-Corruption Office. A public official could complete a questionnaire to detect any possible violation of the conflict of interest rules, and the simulator would then suggest a conflict of interest management strategy.

73. Belgium noted that it had developed a manual for public officials on conflict of interest management.

E. Measures to prevent conflicts of interest

74. Many States referred to measures that were put in place to prevent conflicts of interest from arising.

75. Algeria, Argentina, Armenia, Bolivia (Plurinational State of), Czechia, Georgia, Indonesia, Italy, Montenegro, Norway, Panama, Peru, Poland, Romania, Slovakia and

Slovenia reported that they used the concept of incompatibilities of function to avoid conflicts of interest. That approach consisted of the prohibition of public officials simultaneously carrying out their public functions alongside certain private capacities, including, but not limited to, political activities, business activities or external employment.

76. Italy noted its incompatibility restrictions for public officials, who were prohibited from simultaneously holding multiple positions in the public administration, as elected or appointed officials, as well as from holding positions in international and foreign institutions.

77. Montenegro stated that public officials were not allowed to simultaneously exercise managerial or any other functions in companies, including State-owned enterprises and public institutions, and were required to resign from their outside positions before taking public office. The conflict of interest regime further included measures to limit remuneration for participation in multiple bodies or commissions, as well as a prohibition on making decisions in a situation of conflict of interest.

78. Georgia reported that public officials were restricted from performing any kind of paid work (except for scientific, teaching or creative activities) or holding another position in any public institution or a private company. Public officials could not be assigned to supervise an organization in which a family member was employed.

79. Norway reported that, under the Ethical Guidelines for the Public Service, public officials were not allowed to occupy other positions or assignments or to own financial instruments that were incompatible with their primary function or that might impair trust in public administration.

80. Algeria reported that officials involved in procurement submitted declarations disclosing whether they were in a situation of conflict of interest and, where there was such a conflict, had to recuse themselves from participation in the procedure. In case of a failure to disclose a conflict of interest, where the official had taken part in the deliberation procedures, the procurement decision would be considered null and void.

81. In Norway, public officials were prohibited from accepting gifts and hospitality that might influence their tasks as civil servants. Civil servants were also restricted from offering gifts and other benefits that might influence the receiver. The Ethical Guidelines for the Public Service also promoted openness about gifts and outside activities. Equivalent rules on outside positions and gifts applied to members of government and other political appointees.

82. Czechia, Georgia, Italy, Montenegro, Norway, Romania, Slovenia, Switzerland and Turkey reported that their conflict of interest legislation also included post-employment restrictions concerning former public officials.

83. Georgia provided information that a public servant was not allowed, within one year following separation, to work in a public institution, or carry out activities in an enterprise which had been under his or her official supervision during the past three years. During that one-year period, the former public servant was not allowed to receive income from such a public institution or enterprise.

84. Montenegro reported that for a period of two years following the termination of a public function, a public official was not allowed to enter into a contract or other form of business interaction with the authority in which he or she had exercised a public function. The person was also prohibited from acting before the same authority as a representative or attorney of a legal person or entrepreneur.

85. Italy stated that employees who in the last three years of service had exercised authoritative and negotiating power on behalf of the public administration were not allowed to take up professional activities in the same area during the three years following the cessation of public employment. Any contracts concluded in violation of the post-employment prohibition were void and the companies that had concluded

them were disqualified from participating in procurement tenders for the following three years. Any monies paid under such contracts were due for recovery.

86. Norway also indicated that post-employment restrictions were regulated by law. According to these rules, politicians and public officials in leading positions that were taking up employment outside the public administration or establishing a private business might be subject to a "cooling-off" period.

87. Singapore stated that public officers in certain designated posts were not allowed, for a specified period of time after leaving public service, to take up employment with any person or organization with which he had direct and significant dealings.

F. Disclosure of conflict of interest

88. States parties emphasized the importance of putting in place effective systems for the disclosure and declaration of conflicts of interest. Transparency mechanisms that ensured that outside private interests did not influence the decisions of the public official were an important and powerful corruption prevention tool. Such mechanisms not only informed the public of the potential linkages and dependencies of the public officials but also facilitated the detection of corruption and further investigation.

89. Approaches to the disclosure of conflicts of interest differ, with two general trends identifiable in the submissions. In implementing article 8, paragraph 5, of the Convention, many States parties reported that they had put in place official paper-based or electronic systems requiring public officials to declare their assets, liabilities and business and sometimes even private interests such as links to officials or business people.

90. Thus, most of the submissions indicated that the systems that allowed for declarations of situations of conflict of interest were part of broader systems on asset disclosure. These systems are addressed in detail in the background paper on asset and interest disclosure systems (CAC/COSP/WG.4/2018/3).

91. A number of countries indicated that the institutionalized system of regular submission of asset and interest declarations was often complemented by a requirement that public officials disclose, on an ad hoc basis, situations in which their private interest might influence the independent and professional discharge of their functions.

92. Armenia reported that public officials must disclose potential conflicts of interest to their supervisors on an ad hoc basis. Hungary stated that public officials were required to disclose a potential conflict of interest to their supervisor and relinquish their private interest or face dismissal.

93. Italy reported that when a conflict of interest arose, public officials were required to disclose it immediately and recuse themselves from decision-making. The code of conduct of public officers provided that the official had to inform the head of the office of all business relationships, whether direct or indirect, paid or unpaid, undertaken during the last three years. This information must also be provided for the relatives of the public officer.

94. Montenegro reported that, in addition to the mandatory annual declaration of assets and interests, ad hoc disclosure of conflicts of interest was required.

95. Singapore stated that all public officers were required to declare, on an ad hoc basis, any potential conflicts of interest, whether real or perceived, between their official duties and private interests, in addition to submitting regular declarations.

96. Slovenia reported that any official person who, upon taking up a post or office or during the performance of the duties of the post or office, found that a conflict of interest had arisen or might arise, had to immediately declare their private interest. The rules governing the ad hoc disclosure of interests were stipulated in procedural

legislation such as the Administrative Procedure Act, the Criminal Procedure Act, the Labour Act and the Public Procurement Act. The ad hoc interest declaration rules applied to both elected and appointed officials, senior public officials, other public officials and civil servants as well as managers, members of management and supervisory boards, and employees of state-owned enterprises. The preliminary declarations of interests were collected and maintained by the Commission for the Prevention of Corruption. The ad hoc declarations were stored by the body or organization responsible for carrying out the official task to which the situation of conflict of interest related. Such declarations could be accessed under the system of free access to information. The law also defined fines for failure to comply with the above-mentioned provisions.

97. Many countries, including Austria, Chile, Czechia, Hungary, Italy, Kiribati, Montenegro, Norway, Peru and Romania underlined the importance for the conflict of interest disclosure regime of ensuring the widest possible measure of transparency.

98. Romania reported that the National Integrity Agency had developed a system to prevent and detect conflicts of interest in relation to public procurement, by automatically detecting whether participants in the public bid were relatives of or otherwise connected to people from the contracting institution's management. The system aimed to strengthen accountability among the heads of public authorities and to avoid situations in which European Union-financed projects were blocked due to suspicions of fraud.

99. Austria indicated that an independent online platform created by civil society provided information on parliamentarians and top-level politicians. The information gathered and published on the platform included the educational background, secondary employment and outside activities of the politicians.

III. Conclusions and recommendations

100. States are encouraged to provide further relevant updates and present new initiatives to the Working Group in order to continue and enhance the process of mutual learning.

101. On the basis of the information summarized in this report and the information to be presented at its ninth meeting, the Working Group may wish to give an overall appraisal of progress made so far in relation to preventing and managing conflicts of interest.

102. The Working Group may also wish to encourage States to prioritize conflict of interest management initiatives and to support each other in the development and implementation of such initiatives, including through the exchange of good practices and experiences, particularly in the light of the challenges and technical assistance needs that were reported.

103. The Working Group may wish to request UNODC to continue its efforts to gather information on good practices by States on the implementation of article 7, paragraph 4, of the Convention. Subject to the availability of extrabudgetary resources, UNODC should support States parties in the implementation of the relevant articles of the Convention through the development of training material and the organization of workshops, meetings and other events.